

Message Text

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ACTION ARA-20

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TO SECSTATE WASHDC 6986

C O N F I D E N T I A L TEGUCIGALPA 1840

E.O. 11652: GDS

TAGS: ETRD, ELAB, HO

SUBJECT: CONTINUED PROBLEMS AT LOVABLE BRA OF HONDURAS

REF: A/ A-42, B/ TEGUCIGALPA 1708, C/ TEGUCIGALPA 1707

BEGIN SUMMARY: THE LABOR PROBLEMS AT LOVABLE BRA OF HONDURAS DETAILED REFTELS CONTINUE UNRESOLVED. MEETING ON APRIL 30 WITH CHIEF OF STATE LOPEZ ATTENDED BY FESITRANH PRESIDENT CELEO GONZALEZ AND COMPANY REPRESENTATIVES DID NOT RESULT IN SOLUTION OF CONCESSIONS BY EITHER SIDE. A PROGRESSIVE SYMPATHY STRIKE BY FESITRANH AFFILIATED UNIONS IS POSSIBLE IF DISPUTE REMAINS UNRESOLVED. END SUMMARY.

1. THE DISPUTE BETWEEN LOVABLE BRASSIERES OF HONDURAS AND ITS UNION, SITRALOV, CONTINUES UNRESOLVED BEYOND THE ORIGINAL SETTLEMENT DEADLINE DETAILED REFTEL (B). ON APRIL 29 FESITRANH OFFICIAL JAIME CACERES DESCRIBED TO LABOFF PROJECTED STRIKE AS A PROGRESSIVE STRIKE INVOLVING ALL FESITRANH AFFILIATES, INCLUDING THE LARGE AMERICAN BANANA COMPANY UNIONS. IF THE STRIKE IS CALLED, IT WILL BEGIN WITH A ONE HOUR WORK STOPPAGE THE FIRST DAY WITH PROGRESSIVELY LONGER STOPPAGES ON FOLLOWING DAYS UNTIL THE DISPUTE IS SETTLED. IF THE DISPUTE REMAINS UNRESOLVED FOR A SUFFICIENT PERIOD, THE RESULT MIGHT BE A GENERAL
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STRIKE BY FESITRANH WHICH WOULD VIRTUALLY SHUT DOWN THE

NORTH COAST AS WELL AS KEY SERVICES THROUGHOUT THE COUNTRY, SUCH AS AIR TRANSPORTATION. CACERES EXPRESSED VIEW THAT UNITED FRONT AGAINST LOVABLE WOULD RESULT IN MANAGEMENT'S REHIRING OF FIRED WORKERS, THEREBY MAKING THE ACTUAL STRIKE UNNECESSARY.

2. ON APRIL 30 CHIEF OF STATE LOPEZ MET WITH FESITRANH PRESIDENT CELEO GONZALEZ AND LOVABLE MANAGER JUAN CANAHUATI. GONZALEZ PRESENTED ECONOMIC DATA ON LOVABLE EXPORTS AND CLAIMED THAT COMPANY RATIONALE OF ECONOMIC HARDSHIP NOT SUPPORTED BY FACTS. THE MEETING PUT PRESSURE ON LOVABLE BUT DID NOT RESULT IN CONCESSIONS.

3. GONZALEZ HAS POSTPONED SECOND DEADLINE OF MAY 1, APPARENTLY INDEFINITELY, HOPING THAT HIGH LEVEL PRESSURE GENERATED AT APRIL 30 MEETING WILL HAVE ITS EFFECT.

4. FROM CONVERSATIONS WITH CTH SECRETARY GENERAL ARTILES, CACERES, AND AIFLD NORTH COAST REPRESENTATIVE JAY IT IS APPARENT THAT FESITRANH LEADERSHIP TAKES THE LOVABLE PROBLEM VERY SERIOUSLY AND BELIEVES THAT THE DISPUTE DOES NOT REPRESENT MERELY A SINGLE CASE OF MANAGEMENT INTRANSIGENCE. FESITRANH PERCIVES A GENERAL CONSPIRACY OF NORTH COAST PRIVATE ENTERPRISE TO WEAKEN AND, IF POSSIBLE, DESTROY THE NORTH COAST LABOR MOVEMENT. THE LOVABLE BRA PROBLEM IS VIEWED AS A TEST CASE IN WHICH MOVEMENT SOLIDARITY MUST BE PRESERVED AT ALL COSTS IN ORDER TO DEFEAT PRIVATE SECTOR LONG RANGE GOALS.

5. AT A CHANCE AIRPORT MEETING IN SAN PEDRO SULA ON MAY 1, LABMIN FONSECA TOLD AIFLD CPD HEBERLE THAT LOVABLE REPRESENTED A PARTICULARLY DIFFICULT CASE BECAUSE, IN THE ABSENCE OF A COLLECTIVE AGREEMENT, THE COMPANY HAD THE LEGAL RIGHT TO DISMISS ITS WORKERS IF, AS THE COMPANY HAS DONE, PROPER SEVERANCE PAYMENTS ARE MADE.

COMMENT: FESITRANH PRESIDENT CELEO GONZALEZ HAS EXPRESSED TO LABOFF IN THE PAST THAT GENERAL STRIKES ARE NOT SUITABLE WEAPONS IN HONDURAS WHILE COUNTRY IN CONTROL OF MILITARY GOVERNMENT. HE VIVIDLY REMEMBERS THE FAILURE
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OF 1968 GENERAL STRIKE WHICH WAS CRUSHED BY FIRM ACTION OF GENERAL LOPEZ AND WHICH RESULTED IN GONZALEZ' TEMPORARY EXILE. FEDERATION'S CONTEMPLATION OF PROGRESSIVE STRIKE WHICH COULD LEAD TO GENERAL STRIKE INDICATES PROBLEM'S PERCEIVED SERIOUSNESS.
THE PROJECTED STRIKE, WHICH IS ILLEGAL IN TERMS OF THE LABOR CODE, COULD CREATE SERIOUS DIFFICULTIES FOR THE GOH.
RUBEN SOLANO, SPOKESMAN FOR "CONSOLIDATED DEFENSE COMMITTEE

FOR LAND TRANSPORT" HAS TOLD EMBOFF THAT GENERAL STRIKE BY
LABOR MOVEMENT WOULD RESULT IN A GENERAL TRANSPORTATION
STRIKE (REFTEL C.). A SITUATION IN WHICH THE GOH WAS
FACED WITH TWO LARGE STRIKES WOULD BRING EXTRAORDINARY
PRESSURES TO BEAR ON GENERAL LOPEZ AND WOULD SURELY ADD
INTENSITY TO THE CURRENT COUP RUMORS.
EMBASSY VIEWS SITUATION AS POTENTIALLY SERIOUS BUT NOT
LIKELY TO DEGENERATE IN GENERAL STRIKE. GONZALEZ DOES
NOT WANT TO PREJUDICE HIS GOOD RELATIONS WITH
ORGANIZED COMPANIES AND THE GOH AND WILL USE THE STRIKE
ONLY AS A LAST RESORT.
SANCHEZ

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